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Croatia

Grain and Feed

Grain Prices Impact Foodstuff Prices

2007

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Report Highlights:

Current grain prices in the Croatian market are almost 100% higher than last year due to grain shortages caused by the summer drought. Croatia normally self sufficient in wheat and an exporter of corn has just enough wheat this year to meet local demand and is experiencing shortages of about 250,000 MT to 300,000 MT of corn. This situation combined with the world fuel crisis is causing increases in milk, meat, egg and bread prices. The Croatian Government instituted export customs on wheat and corn and 0% tariff rate quota on 300,000MT of corn to prevent shortage of grain, limit imports of expensive grain from the world market and prevent jumps in food prices. The Croatian Government also provided Croatian grain farmers and cattle breeders that were adversely affected by the drought with financial help. Nevertheless some experts are saying that further increases in foodstuff prices is inevitable after the New Year.

Includes PSD Changes: No
Includes Trade Matrix: No
Annual Report
Zagreb [HR1]
[HR]

Current grain prices in the Croatian market are almost 100% higher than last year due to grain shortages caused by the summer drought. Croatia normally self sufficient in wheat and an exporter of corn this year has just enough wheat to meet local demand and is experiencing shortages of about 250,000 MT to 300,000 MT of corn ([HR7005](#)).

This situation combined with the world fuel crisis is already starting to cause increases in milk, meat, egg, oil and bread prices. The Croatian Government instituted temporary (until spring 2008) export customs on wheat and corn and 0% tariff rate quota on 300,000 MT of corn (until summer 2008) coming from countries with which Croatia has free trade agreements in an attempt to prevent shortage of grain, limit imports of expensive grain from the world market and prevent jump in food prices. The Croatian Government also provided Croatian grain farmers and cattle breeders that were adversely affected by the drought with about \$ 90 million. Nevertheless some experts are saying that further increase in foodstuff prices is inevitable after the New Year.